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Payroll/Benefits
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Spokane Public Schools
excellence for everyone

RECEIVED & INSPECTED

MAR 20 2003

FCC - MAILROOM

March 19, 2003

Federal Communications Commission (FCC)
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

Re: Appeal of Year 4 Funding Commitment Decision
CC Docket Nos. 96-45 and 97-21
Billed Entity Number: 145503
471 Application Number: 262911
Funding Request Number 679882
Original Correspondence Appeal October 17, 2002
USAC Response: January 21, 2003 (as attached)

Dear Sir/Madam:

We are appealing Year 4 Funding Commitment Decision as identified below:

Problem:

Incorrectly, we believe, the service start date for services from Avista **Corp.** were reset by SLD from July 1, 2001 to June 5, 2002. We have used the same service from the same vendor, same spin number, on the same contract since the beginning of the Erate program (years 1-4). We filed year 4 forms 471 and 486 with this same spin number, which was accurate at that time.

Sometime during year 4, Avista changed their name and this resulted in a new spin number. We were contacted by SLD who asked us to change the spin number on the already filed 486. This was a field update due to Avista changing names, not a submission of a new 486. It appears, however, that when the spin number field was updated, the service start date was incorrectly reset to June 5, 2002. In past Erate years and even in year 4, spin numbers have been updated mid-year due to vendors changing names, and **this** has never resulted in a loss of funding. This funding commitment amounted to \$445,690.88. This is a significant amount that we should not be penalized for, due to a vendor changing names, or due to SLD incorrectly resetting the date rather than updating the field.

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LHM/ASODE

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Please see below for pertinent details:

	Spin #	Service Provider Name
Year 1	143004833	WWP Fiber
Year 2	143004833	Avista Fiber (Note: spin # same, name changes, but same company)
Year 3	143004833	Avista Fiber
Year 4	143004833	Avista Fiber
	143022183	Avista Communications Inc (Note: new spin #, new name, but same company)

Please see attached:

1. Year 4 Commitment letter - This shows original spin number (143004833) and name **as** approved for funding request 679882 (Avista Fiber)
2. Original Form 486 - This shows the 486 as submitted with the original correct spin number, matching what was approved in the funding commitment letter.
3. Updated Form 486 - This shows the change to the spin number for Avista Corp, **as** requested by Cathy Carley, SLD. This shows that FRN 679882 has a changed spin number of 143022183, due to Avista's change in name and spin number. This was never intended to be a submission of a new form, simply a reflection of the requested spin number change.
4. USAC January 21, 2003 Administrator's Decision on Appeal Funding year 2001-2002 - This denied our funding request.

Action:

We would like you to reconsider your decision and reinstate the original service start date for Avista (FRN number 679882) to July 1, 2001 as identified in the original 486.

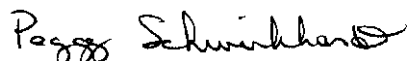
Summary

In summary, we believe we submitted forms timely and they were accurate at the time of submission. We should not be penalized due to a vendor changing their name and spin number. The vendor name and spin number change should have been treated in the same manner **as** other spin number/name changes have been performed, with no loss of funding.

If you have any questions, please call me at (509) 354-7276. If you reach voice mail, please press zero and someone will find me.

Thank you for your consideration in this matter.

Sincerely,



Peggy Schweikhardt
Director, Payroll/Telecommunications
509-354-7276
peggy@spokaneschools.org



Attachment ①
Universal Service Administrative Company
Schools & Libraries Division

RECEIVED

SEP 20 2001

SPOKANE PUBLIC SCHOOLS
PAYROLL DEPT.

FUNDING COMMITMENT DECISION LETTER
(Funding Year 4: 07/01/2001 - 06/30/2002)

September 14, 2001

SPOKANE SCHOOL DISTRICT 81
PEGGY SCHWEIKHARDT
200 NORTH BERNARD ST.
SPOKANE, WA 99201-0282

Re: Form 471 Application Number: 262911
Funding Year 4: 07/01/2001 - 06/30/2002
Billed at number 145

Thank you for your 2001-2002 E-rate application and for any assistance you provided throughout our review. We have completed review of your Form 471. This letter is to advise you of our decision(s).

FUNDING COMMITMENT REPORT

On the pages following this letter, we have provided a Funding Commitment Report for the Form 471 application cited above. We have reviewed each Discount Funding Request on your Form 471 application and have assigned a Funding Request Number (FRN) to each Block 5. The enclosed report includes a list of the FRNs from your application. The SLD is also sending this information to your service provider(s) so preparations can be made to begin implementing your E-rate discount(s) upon the filing of your Form 486. Immediately preceding the Funding Commitment Report, you will find a guide that defines each line of the Report.

NEXT STEPS

Once you have reviewed this letter and have determined that some or all of your requests have been funded, your next step to facilitate receipt of discounts as featured in this letter will be to file an FCC Form 486 with the SLD. The Form 486 notifies the SLD to begin payment to your service provider and provides certified indication that your technology plan(s) has been approved. The Form 486 and instructions can be found on the SLD web site at <www.sl.universalservice.org> or you can call the SLD Client Service Bureau at 1-888-203-8100 and ask that the form be sent to you. The new Form 486, dated July 2001 in the lower right corner, MUST be used for Funding Year 4 and for any previous funding years once it becomes available. Subsequent submissions of earlier versions of the Form 486 will be returned to you and will not be able to be processed. As you complete Form 486, you should also contact your service provider to verify they have received notice from the SLD of your funding commitments. After the SLD processes your Form 486, we can begin processing invoices from your service provider(s) so they can be reimbursed for discounted services they have provided you.

On December 21, 2000, the Children's Internet Protection Act was signed into law. That law will require schools and libraries that receive Universal Service discounts for certain services to adopt an Internet safety policy incorporating the use of filtering or blocking technology on computers with Internet access as a condition of receiving those discounts. THE LAW DOES NOT, HOWEVER, REQUIRE THIS TO BE IN PLACE FOR FUNDING YEAR 4. RECIPIENTS WILL HAVE TO CERTIFY, HOWEVER, THAT THEY ARE UNDERTAKING SUCH ACTIONS, INCLUDING NECESSARY PROCUREMENT PROCEDURES, TO PUT SUCH TECHNOLOGY PROTECTION MEASURES IN PLACE. For Funding Year 4 (the Funding Year beginning July 1, 2001), Billed Entities filing Form(s) 486 may encounter one or more situations that will affect their filing deadline(s). See the requirements for Funding Year 4 below and the Form 486

Instructions for more information on filing deadlines to ensure that **your** discounts can be paid retroactively to the Service Start Date. You are advised to **keep** proof of the date of mailing.

1. If Funding Year 4 services start on or before Sunday, October 28, 2001, and the date of your Funding Commitment Decision Letter is before Sunday, October 28, 2001, your Form 486 must be postmarked on or before October 28, 2001 in order for discounts to be paid retroactively to the Service Start Date. Failure to meet this certification deadline will result in reduced funding.
2. If your services start after October 28, 2001, your Form 486 must be postmarked no later than 120 days after the Service Start Date or 120 days after the date of the Funding Commitment Decision Letter, whichever is later, in order for discounts to be paid retroactively to the Service Start Date. Failure to meet this filing deadline will result in reduced funding.

You may also check the SLD web site at <www.sl.universalservice.org> or call the Client Service Bureau at 1-888-203-8100 for more information about how this new law might impact universal service discounts and any needed documentation for Funding Year 4 (July 1, 2001-June 30, 2002).

TO APPEAL THESE FUNDING COMMITMENT DECISIONS

If you wish to appeal the Funding Commitment Decision(s) (FCD) indicated in this letter, your appeal must be made in writing and RECEIVED BY THE SCHOOLS AND LIBRARIES DIVISION (SLD) at the SLD address below WITHIN 30 DAYS OF THE ABOVE DATE ON THIS LETTER. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and e-mail address (if available) for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Identify which FCD Letter you are appealing. Indicate the relevant funding year and the date of the Funding Commitment Decision Letter. Your letter of appeal must also include the applicant name, the Form 471 Application Number, and the Billed Entity Number from the top of your FCD Letter.
3. Identify the particular Funding Request Number (FRN) that is the subject of your appeal. When explaining your appeal, include the precise language or text from the Funding Commitment Decision Letter that is at the heart of your appeal. By pointing us to the exact words that give rise to your appeal, the SLD will be able to more readily understand and respond appropriately to your appeal. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep copies of your correspondence and documentation.
4. Provide an original authorized signature on your letter of appeal.

Please send your appeal to: Letter of Appeal, Schools and Libraries Division, Box 125 - Correspondence Unit, 80 South Jefferson Road, Whippany, NJ 07981. Appeals submitted by fax, phone call, and e-mail CANNOT be processed.

While we encourage you to resolve your appeal with the SLD first, you have the option of filing an appeal directly with the Federal Communications Commission (FCC): FCC, Office of the Secretary, 445-12th Street SW, Room TW-A325, Washington, DC 20554. You should refer to CC Docket Nos. 96-45 and 97-21 on the first page of your appeal to the FCC. Your appeal must be made in writing and RECEIVED BY THE FCC at the FCC address above WITHIN 30 DAYS OF THE ABOVE DATE ON THIS LETTER. Failure to meet this requirement will result in automatic dismissal of your appeal. Further information regarding filing an appeal directly with the FCC can be found in the Appeals Procedure posted in the Reference area of the SLD web site <www.sl.universalservice.org>.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the universal service mechanisms for schools and libraries. FCC Form 471 Applicants who have received funding commitments continue to be subject to audits and other reviews that SLD or the Federal Communications Commission may undertake periodically to assure that funds have been committed and are being used in accordance with all such requirements. If the SLD subsequently determines that its commitment was erroneously issued due to action or inaction, including but not limited to that by SLD, the Applicant, or Service Provider, and that the action or inaction was not in accordance with such requirements, SLD may be required to cancel these funding commitments and seek repayment of any funds disbursed not in accordance

with such requirements. The SLD, and other appropriate authorities (including but not limited to USAC and the FCC), may pursue enforcement actions and other means of recourse to collect erroneously disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

We look forward to continuing our work with you on connecting our schools and libraries through advanced telecommunications services.

Sincerely,

Schools and Libraries Division
Universal Service Administrative Company

Enclosures

FUNDING COMMITMENT REPORT

Form 471 Application Number: 262911
 Funding Request Number: 679879, Funding Status: Not Funded
 Services Ordered: Internal Connections
 SPIN: 143001206 Service Provider Name: Touch America, Inc.
 Contract Number: RFP 12-98
 Billing Account Number: SD81
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 04/13/2003
 Pre-Discount Amount: \$39,358.00
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$8.00 - Srvc Discnt will NOT be funded
 Funding Commitment Decision Explanation: funding cap will not provide for Internal Connections < 90% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for further details.

Funding Request Number: 679882 Funding Status: Funded *Page 3b line 1*
 Services Ordered: Telecommunications Service
 SPIN: 143004833 Service Provider Name: Avista Fiber, Inc
 Contract Number: E-MAN-2-98
 Billing Account Number: SD81
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 04/09/2008
 Pre-Discount Amount: \$696,392.00
 Discount Percentage Approved by the SLD: 64%
 Funding Commitment Decision: \$445,690.88 - FRN approved as submitted

Funding Request Number: 679887 Funding Status: Funded
 Services Ordered: Telecommunications Service
 SPIN: 143005231 Service Provider Name: Qwest Corporation fka US West
 Contract Number: MTM
 Billing Account Number: 509-354-5900
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 06/30/2002
 Pre-Discount Amount: \$9,684.00
 Discount Percentage Approved by the SLD: 64%
 Funding Commitment Decision: \$5,197.76 - FRN approved as submitted

Funding Request Number: 679891 Funding Status: Not Funded
 Services Ordered: Internal Connections
 SPIN: 143001206 Service Provider Name: Touch America, Inc.
 Contract Number: RFP 12-98
 Billing Account Number: SD81
 Earliest Possible Effective Date of Discount: 07/01/2001
 Contract Expiration Date: 04/13/2004
 Site Identifier: 116943
 Pre-Discount Amount: \$1,000.00
 Discount Percentage Approved by the SLD: N/A
 Funding Commitment Decision: \$0.00 - Srvc Discnt will NOT be funded
 Funding Commitment Decision Explanation: funding cap will not provide for Internal Connections < 90% discount to be funded. Please see WWW.SL.UNIVERSALSERVICE.ORG for further details.

Billed Entity Name Spokane School District 81Contact Name Peggy SchweikhardtAttachment 2Billed Entity Number 145503Contact Telephone Number (509) 354-7333**Block 3: Service Information**

7 Please provide the following information for each Form 471 Block 5 (Discount Funding Request) item for which the Billed Entity is indicating that the named Service Provider may begin submitting invoices to SLD. You will need your FCDL for some of the information required below.

Remember: The FRNs listed below must be from the same Funding Year as is listed in Item 3, Block 1.

If you need additional pages, please label them 3A, 3B, 3C, etc. and indicate the number in the space provided here. Page 3B

	(A) 471 Application Number (10 digits) From FCDL	(B) Funding Request Number (FRN) (10 digits) From FCDL	(C) Billing Account Number (required if contained on your FCDL)	(D) Service Provider Name From FCDL	(E) Service Provider Identification Number (SPIN) (9 digits) From FCDL	(F) Funding Year Service Start Date * (Earliest Date that Discounts Will Begin) (*Cannot be before July 1 of the Funding Year for which you are requesting discounts.) (mm/dd/yyyy)
1	0000262911	0000679882	SD81	Avista Corp.	143004833	07/01/2001
2	0000262911	0000679887	509-354-5900	Qwest Corporation fka US West	143005231	07/01/2001
3	0000262911	0000679895	SD81	Touch America	143001206	07/01/2001
4	0000262911	0000680145	SD81	Touch America	143001206	07/01/2001
5	0000262911	0000680155	SD81	Touch America	143001206	07/01/2001
6	0000262911	0000680242	SD81	Touch America	143001206	07/01/2001
7	0000262911	0000680278	SD81	Touch America	143001206	07/01/2001
8	0000262911	0000680304	SD81	Touch America	143001206	07/01/2001
9						

Billed Entity Name Spokane School District #1 Contact Name Peggy Schweikhardt
 Billed Entity Number 145503 Contact Telephone Number (509) 354-7333

Block 3: Service Information

7 Please provide the following information for each Form 471 Block 5 (Discount Funding Request) item for which the Billed Entity is indicating that the named Service Provider may begin submitting invoices to SLD. You will need your FCDEL for some of the information required below.

Remember: The FRNs listed below must be from the same Funding Year as is listed in Item J, Block 1.

If you need additional pages, please label them 3A, 3B, 3C, etc. and indicate the number in the space provided here. Page 3B

(A) Application Number (10 digits) From FCDEL	(B) Funding Request Number (FRN) (10 digits) From FCDEL	(C) Billing Account Number (required if contained on your FCDEL)	(D) Service Provider Name From FCDEL	(E) Service Provider Identification Number (SPIN) (9 digits) From FCDEL	(F) Funding Year Service Start Date (Earliest Date that Discounts Will Begin) (* Cannot be before July 1 of the Funding Year for which you are requesting discounts.) (mm/dd/yyyy)
1 0000262911	0000679882	SD81	Avisia Corp.	143022183	07/01/2001
2 0000262911	0000679887	509-354-5900	Qwest Corporation aka US-West	143005231	07/01/2001
3 0000262911	0000679895	SD81	Touch America	143001206	07/01/2001
4 0000262911	0000680145	SD81	Touch America	143001206	07/01/2001
5 0000262911	0000680155	SD81	Touch America	143001206	07/01/2001
6 0000262911	0000680242	SD81	Touch America	143001206	07/01/2001
7 0000262911	0000680278	SD81	Touch America	143001206	07/01/2001
8 0000262911	0000680304	SD81	Touch America	143001206	07/01/2001
9					



Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2001-2002

January 21, 2003

Peggy Schweikhardt
Director, Payroll
Spokane Public Schools
200 North Bernard St.
Spokane, WA 99201-0282

RECEIVED
JAN 24 2003
SPOKANE PUBLIC SCHOOLS
PAYROLL DEPT

Re: Billed Entity Number: 145503
471 Application Number: 262911
Funding Request Number(s): 619882
Your Correspondence Received: October 17, 2002

After thorough review and investigation of all relevant facts, the Schools and Libraries Division ("SLD") of the Universal Service Administrative Company ("USAC") has made its decision in regard to your appeal of SLD's Year Four Funding Commitment Decision for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission ("FCC"). If your letter of appeal included more than one Application Number, please note that for each application for which an appeal is submitted, a separate letter is sent.

Funding Request Number: 679882
Decision on Appeal: **Denied in Full**
Explanation:

- In your letter of appeal you admit you modified the SPIN for the above funding request. The SPIN on the original Form 486 submitted by you did not match what is in our database.
- It is the responsibility of the applicant to fill out all forms correctly and submit them on time.
- The FCDL was issued on 9/14/01 and the service start date on the FCC Form 486 was 7/1/01. Program rules are clear that the FCC Form 486 must be postmarked **prior** to 10/28/01 deadline in order for the service start date to remain 7/1/01. The applicant claims the FCC Form 486 was sent in prior to the deadline and it was received on 10/26/01. However, the 486 was incomplete (Block 3, Item 7e) was rejected because the SPIN, 143004833?, you entered does not match what is in our database for this funding request. During problem resolution the issue you

were asked to resolve this issue and the SPIN was modified to 143022183 on 6/5/02. The applicant's 486 was completed and accepted on 6/5/02. This will be the new service start date and the funding commitment will be adjusted to reflect the new service start date. Since the new Service Start Date is after the deadline the appeal will be denied. The penalty for missing the deadline is to reset the service start date to the postmark date. Since the Form 486 was completed and accepted on 6/5/02 that will be the new service start date. Since this after the 10/28/01 deadline the service start date will be adjusted to, 6/5/02, and the commitment amount will be revised based on the service start date. The appeal will be denied.

- FCC rules provide that in Funding Year 2001, the FCC Form 486 must be postmarked no later than October 28, 2001 and that for subsequent funding years, the FCC Form 486 certifications must be provided to the Administrator in accordance with existing program guidelines established by the Administrator. *See* 47 C.F.R. § 54.520(g). Existing program guidelines are explained in the Funding Commitment Decision letter. Your Funding Year 4 Funding Commitment Decision letter notified you that “[I]f your services start after October 28, 2001, your Form 486 must be postmarked no later than 120 days after the Service Start Date or 120 days after the date of the Funding Commitment Decision Letter, whichever is later, in order for discounts to be paid retroactively to the Service Start Date. Failure to meet this filing deadline will result in reduced funding.” *See* Funding Commitment Decision Letter (Funding Year 4: 07/01/2001 – 06/30/2002), page 2. Since your FCC Form 486 was postmarked more than 120 days after the Service Start Date you indicated on your FCC Form 486, SLD has reduced your funding.

If you believe there is a basis for further examination of your application, you may file **an** appeal with the Federal Communications Commission (FCC) via United States Postal Service: FCC, Office of the Secretary, 445-12th Street SW, Washington, DC 20554. If you are submitting your appeal to the FCC by other than United States Postal Service, check the SLD web site for more information. Please reference CC Docket Nos. 96-45 and 97-21 on the first page of your appeal. **The FCC must RECEIVE your appeal WITHIN 60 DAYS OF THE ABOVE DATE ON THIS LETTER for your appeal to be filed in a timely fashion.** Further information and new options for filing an appeal directly with the FCC can be found in the “Appeals Procedure” posted in the Reference Area of the SLD web site, www.sl.universalservice.org.

We thank you for your continued support, patience, and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company